

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

| | | |
|--|---|----------------------|
| IN RE: | § | CASE NO. 10-20102 |
| | § | |
| USA DRY VAN LOGISTICS, L.L.C. ¹ , <i>et</i> | § | Jointly Administered |
| <i>al.</i> | § | |
| | § | |
| Debtors | § | CHAPTER 11 CASE |

**EMERGENCY APPLICATION FOR GGG, INC. FOR EMPLOYMENT AS A
“PROFESSIONAL PERSON” AND ACKNOWLEDGE A RETAINER**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 20 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

AN EMERGENCY TELEPHONIC HEARING IS REQUESTED FOR FEBRUARY 3, 2010 at 10:00 A.M. CST. INSTRUCTIONS FOR A TELEPHONIC HEARING ARE ENCLOSED WITH THIS GROUP OF MOTIONS.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

NOW COMES GGG, Inc. (“GGG”), a “Professional Person” as that term is used at 11 U.S.C. § 327, and files this its Application for GGG for Employment as a

¹ Golagale Holdings, L.L.C.; USA Logistics Carriers, L.L.C.; USA Log. Carriers, L.L.C.; USA Dry Van Logistics, L.L.C.; North American Trailer Rentals, L.L.C.; South Texas Petroleum, L.L.C.; and LA & G Investment Co., L.L.C. The corporate address for all debtors is 3010 West military, McAllen, Texas 78503. Joint administration under the above style and case number has been ordered by the United States Bankruptcy Court on February 3, 2010. The use of the term “Debtor” shall refer to all debtors.

“Professional Person” and Pay Retainer, and would respectfully request the Court to approve its employment, and would show the Court as follows:

1. Pre-petition, GGG was employed under the terms of the Employment Agreement set out in Exhibit “B”. Under the terms of the Employment Agreement, GGG was obligated to provide management services and assist in reorganization. GGG is paid to date. GGG never received any retainer.

2. The company has determined to continue the services of GGG post-petition with under slightly different terms and conditions.

3. All of the applicable terms of the attached Agreement shall be incorporated into the post-petition engagement.

4. Further, post-petition, GGG shall provide a Chief Restructuring Officer, Mr. Curt S. Friedberg, and a Controller, Mr. Samuel D. Horgan.

5. Compensation shall be \$30,000.00 per week plus expenses for both persons. A retainer of \$100,000 has also been requested and received.

6. This is a flat rate, but it is well within industry standards. The Debtor and GGG respectfully request this Court that GGG be paid on this basis and not be required to file fee applications. GGG will provide parties-in-interest with copies of its expense statements. Expense statements will be submitted to the United States Trustee, any committee, the Debtors and Debtors’ counsel, General Electric Capital Corp. and its counsel, and any other person requesting a copy. The retainer is reasonable.

7. If there are no objections within ten (10) working days, these expenses will be paid in the ordinary course, without any separate Court order.

8. As set out in the attached affidavit, Curt S. Friedberg, Samuel D. Horgan and GGG hold no interest adverse, nor do they represent any interest adverse to the Debtor. These are disinterested persons as that term would be applied to restructuring persons.

NOTICE

9. The Debtors have caused a copy of this Motion to be served upon (i) the proposed Limited Service List, which includes certain prepetition lenders, known counsel and the consolidated list of the top twenty (20) largest unsecured creditors selected from all seven Debtors; (ii) the United States Trustee (iii) the Internal Revenue Service, (iv) the United States Attorney; and (v) those persons who have formally appeared in these Cases and requested service pursuant to Bankruptcy Rule 2002; and (vi) all other applicable government agencies to the extent required by the Bankruptcy Rules and the Bankruptcy Local Rules. The Debtors submit that no other or further notice need be provided.

WHEREFORE, the Debtor and GGG jointly request approval of this employment relationship, and for such and further relief to which they may show themselves to be justly entitled.

Dated: February 2, 2010.

Respectfully submitted,

LANGLEY & BANACK, INC.
745 East Mulberry, Suite 900
San Antonio, Texas 78212
(210) 736-6600 [telephone]
(210) 735-6889 [facsimile]

By: _____

R. GLEN AYERS, JR.
State Bar No. 01467500
DAVID S. GRAGG
State Bar No. 08253300
ALLEN M. DeBARD
State Bar No. 24065132

ATTORNEYS FOR THE DEBTORS.

CERTIFICATE OF SERVICE

I hereby certify that on the 2 day of February, 2010, the above and foregoing document was served by the U.S. first class mail, postage prepaid on the parties listed on the Service List attached hereto.

R. GLEN AYERS, JR.

EXHIBIT “A”

EXHIBIT A

**LIMITED SERVICE LIST FOR
USA DRY VAN LOGISTICS, L.L.C., et al.**

Debtors

Golagale Investment Co.,
L.L.C.
LA & G Investment Co.,
L.L.C.
North American Trailer
Rentals, L.L.C.
South Texas Petroleum,
L.L.C.
USA Dry Van Logistics,
L.L.C.
USA Log. Carriers, L.L.C.
USA Logistics Carriers,
L.L.C.
3010 West Military
McAllen, Texas 78503

Debtors' Attorney

R. Glen Ayers, Esq.
David Gragg, Esq.
Allen M. DeBard, Esq.
Langley & Banack, Inc.
745 E. Mulberry, Suite 900
San Antonio, Texas 78216

US Trustee

Office of the US Trustee
Attn: Charles Sterbach
606 North Carancahua Street
Corpus Christi, Texas 78476

Parties-in-Interest

Internal Revenue Service
P. O. Box 21126
Philadelphia, PA 19114

US Attorney
910 Travis, Suite 1500
Houston, Texas 77002

**Secured Creditors and their
counsel:**

General Electric Capital
Corporation
Attn: Hannah L. Blumenstiel
800 Long Ridge Road
Stamford, CT 06927

General Electric Capital
Corporation
Attn: Rob McNabb
201 Main Avenue
Norwalk, CT 06851

J. Douglass Bacon
Stephen R. Tetro II
Latham & Watkins
233 South Wacker Drive,
Suite 5800
Chicago, Illinois 60606

Shelby A. Jordan
Peter Holzer
Jordan, Hyden, Womble,
Culberth & Holzer, P.C
500 N. Shoreline Blvd., Suite
900
Corpus Christi, Texas

**20 Largest Unsecured
Creditors**

**Golagale Investment Co.,
LLC**

Aurelio Aleman
4405 S H ST
McAllen, TX 78503

Everhard & Company
Certified Public Accountants
PO Box 6137
McAllen, TX 78502-6137

George Gomez
2107 La Condesa
Edinburg, TX 78539

Sergio Lagos
2400 San Miguel
Mission, TX 78572

**LA & G Investments Co.,
L.L.C.**

Hidalgo County Tax Office
Hidalgo County Tax Assessor
-Collector
PO Box 178
Edinburg, TX 78540

Art Salinas Engineering And
Supplies
1524 Dove Ave
McAllen, TX 78504

Capital One
Attn: Commercial Loan
Processing Dept.
P.O. Box 4649
Houston, TX 77210-4649

Lone Star National Bank
206 W. Ferguson
Pharr, TX 78577

**North American Trailer
Rentals, L.L.C.**

Capital One Bank
509 S. Main
McAllen, TX 78501

GE Capital Solutions
PO Box 822108
Philadelphia, PA 19182-
2108

Navistar Financial Corp
425 N Martingale Road Ste
1800
Schaumburg, IL 60173

Zions Credit Corporation
PO Box 26536
Salt Lake City, UT 84126-
0536

**South Texas Petroleum,
L.L.C.**

Argus Security Systems
314 Ash
McAllen, TX 78501

Armando Barrera Jr.
P.O. Box 178
Edinburg, TX 78540

Capital One
P.O. Box 650743
Dallas, TX 75265

CS Safety
P.O. Box 4527
McAllen, TX 78501

Department Of Public Safety
6200 Guadalupe Bldg. P
Austin, TX 78752-4019

EXHIBIT A

LIMITED SERVICE LIST FOR
USA DRY VAN LOGISTICS, L.L.C., et al.

Skybiz, Inc.
22455 David Drive, Suite 100
Sterling, VA 20164

French Ellison Truck Center
PO Box 200187
San Antonio, TX 78220

Hollon Oil Company
1300 Davenport
Weslaco, TX 78596

TMW Systems, Inc.
c/o US Bank
PO Box 643562
Cincinnati, OH 45264-3562

Peoplenet
NW 5489
PO Box 1450
Minneapolis, MN 55485-5489

Button McCumber & Cortez,
LLP
PO Box 5238
Brownsville, TX 78523-5238

Securities Security Services
USA
12672 Collections Center
Chicago, IL 60693

Blackhawk Security &
Investigations
PO Box 1311
Mission, TX 78573-1311

National Interstate
3250 Interstate Drive
Richfield, OH 44286-9000

North American Compliance
820 W. Price Road
Brownsville, TX 78520

Jackson Walker LLP
PO Box 130989
Dallas, TX 75313-0989

The Center of Industrial
Rehabilitation
709 S. Broadway
McAllen, TX 78501

Michelin North America, Inc.
PO Box 100860
Atlanta, GA 30384-0860

USA Logistics Carriers,
L.L.C.
FCC Equipment Financing
Bank One
Lockbox 905010
906 Tyvola Rd., Suite 108
Charlotte, NC 28217

Peoples Capital and Leasing
255 Bank Street, 4th Floor
Waterbury, CT 06702

Marquette Equipment
Finance
6975 Union Park Center, Ste.
200
Midvale, UT 84047

GE Capital
PO Box 532617
Atlanta, GA 30353-2617

Bank of America Leasing &
Capital
KBROPH Mail Code IL 1-
231-07-28
231 South LaSalle Street
Chicago, IL 60604

CSI Leasing, Inc.
PO Box 775486
St. Louis, MO 63177-5485

Paccar Financial Corp.
PO Box 676014
Dallas, TX 75267-6014

Alter Moneta Corp.
50 Lakefront Blvd.
Buffalo, NY 14202

Capital One Equipment
Dept. 153
PO Box 4889
Houston, TX 77210-4869

Center Capital Corporation
PO Box 330
Hartford, CT 06141-0330

Regions Equipment Finance
Corp.
PO Box 11407
Birmingham, AL 35246-1090

Navistar Financial
PO Box 96070
Chicago, IL 60693-6070

EXHIBIT “B”



333 Sandy Springs Circle • Suite 106 • Atlanta, GA 30328
404-256-0033 • Fax 404-256-4555

Professional Services Agreement

USA Dry Van Logistics, LLC (the "Company") located at 3101 West Military Highway, McAllen, TX 78503 has engaged the services of GGG, Inc d.b.a. Grisanti, Galef & Goldress ("GGG") located at 333 Sandy Springs Circle, Suite 106 Atlanta, GA 30328 to provide consulting, advisory and financing services described on Schedule 1 attached hereto (the "Services"). This letter agreement sets forth the terms on which GGG will provide the Services to the Company. The list of Services set forth on Schedule 1 may be amended in writing by mutual agreement of the parties from time to time.

1. The Company shall provide GGG with full access to all Company records, including information concerning the business, assets, operations and financial condition of the Company. In addition, GGG shall have full access to all personnel within the Company as well as the Company's outside professional advisors, including its outside auditors and attorneys. The Company agrees that GGG are authorized to make appropriate use of all such information in connection with the performance of the Services.
2. Management of the Company shall promptly disclose to GGG any information relating to any misstatement or alleged misstatement of material fact contained in any information provided to GGG concerning the business, assets, operations and financial condition of the Company.
3. The relationship of GGG to the Company shall at all times be that of an independent contractor.
4. GGG shall be subject solely to the control of the management of the Company or his assignees.
5. GGG shall be compensated for the Services based on the attached Schedule 1.
6. The Company agrees to indemnify and hold harmless GGG and each of its equity holders, managers, directors, officers, employees, GGG subcontractors and agents (each, "GGG Indemnified Person") from and against any losses, claims, damages, expenses and liabilities or actions in respect thereof (collectively, "Losses"), and to reimburse each GGG Indemnified Person for all such Losses as they may be incurred (including all legal fees and other expenses incurred in connection with investigating, preparing, pursuing, defending, paying, settling or compromising any Losses, whether or not in connection with any pending or threatened litigation in which any GGG Indemnified Person is a named party), arising out of or related to the Services rendered or to be rendered by any GGG Indemnified Person in connection with this engagement, any GGG Indemnified Person's actions or inactions in connection with any such Services, or any violation or alleged violation by the Company or any of its directors, officers, employees or agents of any federal or state laws or any rules or regulations promulgated under such laws; provided that the Company will not be responsible for any Losses of any GGG Indemnified Person to the extent that a court of competent jurisdiction shall have determined by a final judgment that

such Losses resulted primarily from actions taken or omitted to be taken by such GGG Indemnified Person due to his bad faith or willful misconduct.

7. The engagement of GGG shall continue at the pleasure of the Company and may be terminated with 30 days written notice. GGG must receive certified written notice of such termination and be paid in full for any expenses and earned fees as defined in Schedule 1 for termination to be binding. GGG shall have the option to terminate this engagement at any time upon written notice to the Company. The obligations of the Company under numbered paragraphs 5 & 6 of this letter agreement shall survive the completion or termination of this engagement regardless of the manner of such completion or termination and shall be binding upon the Company's successors and assigns.
8. This agreement supersedes any and all prior agreements written or verbal between the Company and the GGG.

Accepted and Agreed January 15, 2010:

GGG, Inc.

By: 

Curt S. Friedberg
Partner

USA Dry Van Logistics, LLC

By: 

Sergio F. Lagos
CEO

SCHEDULE 1

Services to be provided by GGG to the Company

GGG will conduct an initial assessment of the Company to include:

- Review of balance sheet focusing on debt schedules
- Analysis of cash flow
- Identify any cost cutting measures
- Negotiate with lenders to restructure payments
- Recommendations for restructuring the Company

GGG will provide consulting services for the lesser of \$300/hour or \$3,000/day plus direct out of pocket travel expenses. An initial retainer of \$25,000 will be due upon execution of this agreement. GGG will provide weekly invoicing of fees and expenses to replenish this retainer. Any unused portion of this retainer will be refunded upon termination of this agreement.

Follow on services after the initial assessment will be defined in an addendum to this agreement.

Accepted and Agreed:

GGG, Inc.

By: 

Curt S. Friedberg
Partner

Date: 1/15/10

USA Dry Van Logistics, LLC

By: 

Sergio FI Lagos
CEO

Date: JAN - 15, 2010